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BOOK 677 PAGE 521

West Virginia – Paid Up

PAID UP OIL AND GAS LEASE

Marshall

THIS LEASE AGREEMENT ("Lease") is made as of the 8th day of September 2008, between Robert Glenn Hubbs, single, and Scarlett Elizabeth Otte, single, whose mailing address is Rd 1 Box 80 Glen Easton Wva 26039, as **Lessor** (whether one or more) and Chief Exploration & Development LLC, whose mailing address is 5956 Sherry Lane, Suite 1500, Dallas, Texas 75225, as **Lessee**.

1. Leasing Clause/Right Granted. In consideration of a cash bonus in hand paid and the covenants herein contained, Lessor hereby grants, leases and lets exclusively to Lessee the following described land, hereinafter called leased premises:

said land is situated in District of Meade in the County of Marshall in the State of West Virginia, bounded substantially by lands now and/or formerly owned as follows:

On the North by the lands of: Violet White

On the East by the lands of: Jerry Fletcher

On the South by the lands of: Ronald Moore

On the West by the lands of: Melba Berkhart

Tax Parcel #: 9-7-7

Being the same property conveyed to Kermit Reed Hubbs and Carol Sue Hubbs, his wife, by Ray Lough and Belva Lough, his wife, et al., by deed dated the 26th day of August, 1976, and recorded in the Office of the Clerk of the County Commission of Marshall County, West Virginia, in Deed Book 462, Page 664.

containing 108.61 gross acres, more or less, as described in Deed Book 628, page 490, including any interests therein which Lessor may hereafter acquire (a) by reversion, prescription or otherwise and (b) all land owned or claimed by Lessor adjacent or contiguous to the land particularly described above, whether the same is in said survey or surveys or in adjacent surveys although not included within the boundaries of the land particularly described above, for the purpose of exploring for, developing, producing and marketing oil and gas, and coalbed methane gas, (along with all hydrocarbon and non-hydrocarbon substances produced in association therewith, contained in, associated with, emitting from, or produced/originating within any oil and gas formation, gob area, mined-out area, coal seam, and all communicating zones) along with the right to fracture and stimulate all coal seams, other strata and all oil and gas formations using any and all fracturing and stimulation methods and technology available now or at the time of stimulation, and of injecting and storing, air, gas, brine and other substances from any source and into any subsurface strata, other than potable water strata and workable coal strata (including but not limited to the right to inject into any wells on the leasehold property and to otherwise conduct all such secondary or tertiary operations as may be required in the opinion of the Lessee). The term "gas" as used herein includes helium, carbon dioxide and other commercial gases, as well as hydrocarbon gases and coalbed methane. Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any shut-in royalties hereunder, the number of gross acres above specified shall be deemed correct, whether actually more or less.

2. Lease Term. This Lease, which is a "paid-up" lease requiring no rentals, shall be in force for a primary term of **Ten (10) Years** from the date hereof, and for as long thereafter as (i) operations are conducted on the leased premises or lands pooled/unitized therewith in search of oil, gas, coalbed methane or their constituents, or (ii) a well deemed by Lessee to be capable of production is located on the leased premises or lands pooled/unitized therewith, or (iii) oil or gas, coalbed methane or their constituents, are produced from the leased premises or lands pooled/unitized therewith, or (iv) this Lease is otherwise maintained in effect pursuant to the provisions hereof, or (v) If Lessee's operations are delayed or interrupted as a result of any coal mining or coal related operations under any existing and effective coal lease, permit or other authorization covering such operations on the leased premises then such delay will automatically extend the primary or secondary term of this Lease for a period of time equal to any such delay or interruption.

The advance payment made by Lessee to Lessor constitutes all required delay rental that is due for the entire primary term and such payment is designed to and shall keep this Lease in full force and effect during the entire primary term. Lessor hereby agrees that the payment terms, as set forth herein, and the advance rental payments paid to Lessor constitutes the full and complete consideration for the rights granted under this Lease.

If there is any dispute concerning the extension of this Lease beyond the primary term by reason of any of the alternative mechanisms specified herein, the payment to the Lessor of the prescribed payments provided below shall be conclusive evidence that the Lease has been extended beyond the primary term.

Extension of Primary Term. Lessee has the option to extend the primary term of this Lease for one additional term of five (5) years from the expiration of the primary term of this Lease; said extension to be under the same terms and conditions as contained in this Lease. Lessee may exercise this option to extend this Lease if on or before the expiration date of the primary term of this Lease, Lessee pays or tenders to the Lessor or to the Lessor's credit an amount equal to the initial consideration given for the execution hereof. Exercise of this option is at Lessee's sole discretion and may be invoked by Lessee where no other alternative of the Lease Term clause extends this Lease beyond the primary term.

Construction of Lease. The language of this Lease (including, but not limited to, the initial Lease term and Extension of Term clauses) shall never be read as language of special limitation. This Lease shall be construed against termination, forfeiture, cancellation or expiration and in favor of giving effect to the continuation of this Lease where the circumstances exist to maintain this Lease in effect under any of the alternative mechanisms set forth above. In connection therewith, (i) a well shall be deemed to be capable of production if it has the capacity to produce a profit over operating costs, without regard to any capital costs to drill or equip the well, or to deliver the oil or gas to market, and (ii) the Lessee shall be deemed to be conducting operations in search of oil or gas, or their constituents, if the Lessee is engaged in geophysical and other exploratory work including, but not limited to, activities to drill an initial well, to drill a new well, or to rework, stimulate, deepen, sidetrack, frac, plug back in the same or different formation or repair a well or equipment on the leased premises or any lands pooled/unitized therewith (such activities shall include, but not be limited to, performing any preliminary or preparatory work necessary for drilling, conducting internal technical analysis to initiate and/or further develop a well, obtaining permits and approvals associated therewith and may include reasonable gaps in activities provided that there is a continuum of activities showing a good faith effort to develop a well or that the cessation or interruption of activities was beyond the control of Lessee, including interruptions caused by the acts of third parties over whom Lessee has no control or regulatory delays associated with any approval process required for conducting such activities).

3. Royalty Payments. Royalties on oil, gas and other substances produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's separator facilities, the royalty shall be **15%** of such production, to be delivered at Lessee's option to Lessor's credit at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity; (b) for gas (including casinghead gas) and all other substances covered hereby, the royalty shall be **15%** of the "net proceeds realized by Lessee" from the sale thereof. As used in this Lease, the term "net proceeds realized by Lessee" shall mean the gross proceeds received by Lessee from the sale of oil and gas minus any and all post production costs and expenses incurred by Lessee and/or its affiliates between the wellhead and the point of sale, including, but not limited to, costs associated with the following: gathering and/or transporting the gas from the well to the point of sale (including line loss); metering, compression (including the cost of electricity, gas and other fuel); desulphurization and purification; treating; dehydrating; extracting; processing; storage; marketing; sweetening; and removal or separation of liquid or gaseous substances or impurities from the gas, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase contracts entered into on the same or nearest preceding date as the date on which Lessee commences its purchases hereunder; and (c) if at the end of the primary term or any time thereafter one or more wells on the leased premises or lands pooled therewith are capable of producing oil or gas or other substances covered hereby in paying quantities, but such well or wells are either shut in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purpose of maintaining this Lease. If for a period of 90 consecutive days such well or wells are shut in or production therefrom is not being sold by Lessee, then Lessee shall pay shut-in royalty of **Twenty Five dollars per acre** then covered by this Lease, such payment to be made to Lessor or to Lessor's credit in the depository designated below, on or before the end of said 90-day period and thereafter on or before each anniversary of the end of said 90-day period while the well or wells are shut in or production therefrom is not being sold by Lessee; provided that if this Lease is otherwise being maintained by operations, or if production is being sold by Lessee from another well or wells on the leased premises or lands pooled therewith, no shut-in royalty shall be due until the end of the 90-day period next following cessation of such operations or production. Lessee's failure to properly pay shut-in royalty shall render Lessee liable for the amount due, but shall not operate to terminate this Lease.

4. Payments to Lessor. All shut-in royalty payments under this Lease shall be paid or tendered to Lessor or to Lessor's credit or its successors at **Lessor's above address**, which shall be Lessor's depository agent for receiving payments regardless of changes in the ownership of the leased premises. All payments or tenders may be made in currency, or by check or by draft and such payments or tenders to Lessor or to the depository by deposit in the U.S. Mails in a stamped envelope addressed to the depository or to the Lessor at the last address known to Lessee shall constitute proper payment. If the depository should liquidate or be succeeded by another institution, or for any reason fail or refuse to accept payment hereunder, Lessor shall, at Lessee's request, deliver to Lessee a proper recordable instrument naming another institution as depository agent to receive payments.

5. Lease Development. If Lessee drills a well which is incapable of producing in paying quantities (hereinafter called "dry hole") on the leased premises or lands pooled therewith, or if all production (whether or not in paying quantities) permanently ceases from any cause, including a revision of unit boundaries pursuant to the provisions of Paragraph 6 or the action of any governmental authority, then in the event this Lease is not otherwise being maintained in force it shall nevertheless remain in force if Lessee commences operations for reworking an existing well or for drilling an additional well or for otherwise obtaining or restoring production on the leased premises or lands pooled therewith within 90 days after completion of operations on such dry hole or within 90 days after such cessation of all production. If at the end of the primary term, or at any time thereafter, this Lease is not otherwise being maintained in force but Lessee is then engaged in drilling, reworking or any other operations reasonably calculated to obtain or restore production therefrom, this Lease shall remain in force so long as any one or more of such operations are prosecuted with no cessation of more than 90 consecutive days, and if any such operations result in the production of oil or gas or other substances covered hereby, as long thereafter as there is production in paying quantities from the leased premises or lands pooled therewith. There is no express or implied covenant within the primary term or any extension of the term of this Lease to drill a well on the leased premises, to prevent drainage, to further develop the leased premises after an initial well is drilled or to market production. There shall be no forfeiture, termination, expiration or cancellation of this Lease for failure to comply with said implied covenants. Provisions herein, including, but not limited to, the paid up rentals and prescribed payments, constitute full compensation for the privileges granted herein.

6. Pooling and Unitization. Lessee shall have the right but not the obligation to pool all or any part of the leased premises or interest therein with any other lands or interests, as to any or all depths or zones, and as to any or all substances covered by this Lease, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands or interests. The unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for a gas well or a horizontal completion shall not exceed 640 acres plus a maximum acreage tolerance of 10%; provided that a larger unit may be formed for an oil well or gas well or horizontal

completion to conform to any well spacing or density pattern that may be prescribed or permitted by any governmental authority having jurisdiction to do so. For the purpose of the foregoing, the terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or the appropriate governmental authority, or, if no definition is so prescribed, "oil well" means a well with an initial gas-oil ratio of less than 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet or more per barrel, based on a 24-hour production test conducted under normal producing conditions using standard lease separator facilities or equivalent testing equipment; and the term "horizontal completion" means an oil well in which the horizontal component of the gross completion interval in the reservoir exceeds the vertical component thereof. In exercising its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit and stating the effective date of pooling. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises shall be treated as if it were production, drilling or reworking operations on the leased premises, except that the production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this Lease and included in the unit bears to the total gross acreage in the unit, but only to the extent such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern prescribed or permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and stating the effective date of revision. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly. In the absence of production in paying quantities from a unit, or upon permanent cessation thereof, Lessee may terminate the unit by filing of record a written declaration describing the unit and stating the date of termination. Pooling hereunder shall not constitute a cross-conveyance of interests.

7. Payment Reductions. If Lessor owns a less interest in the leased premises than the entire and undivided fee simple therein, then the royalties, shut-in royalties and all other payments herein provided shall be paid to the Lessor only in the proportion which such interest bears to the whole and undivided fee and any payments made for any well on any part of the leased premises or lands pooled therewith shall be reduced to the proportion that Lessor's interest in such part of the leased premises bears to the full mineral estate in such part of the leased premises.

8. Successors and Assigns. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate in the depository designated above. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this Lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this Lease then held by each.

9. Surrender. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this Lease as to a full or undivided interest in all or any portion of the area covered by this Lease or any depths or zones thereunder, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. Additional Rights Granted. In exploring for, developing, producing and marketing oil, gas, coalbed methane and other hydrocarbon substances covered hereby on the leased premises or lands pooled or unitized therewith, in primary and/or enhanced recovery, Lessee shall have the right of ingress and egress along with the right to conduct such operations on the leased premises as Lessee deems necessary for such purposes, including but limited to (a) seismic and geophysical operations, the drilling, fracturing, stimulating, operation, maintenance, reworking, plugging and abandonment of wells, and the placement, installation, construction, use, operation, maintenance, repair and replacement of roads, canals, pipelines and appurtenant facilities, tanks, drips, equipment, water wells, disposal wells, injection wells, pits, electric and telephone lines, telecommunication facilities, power stations, frac ponds, compression facilities, meters and such other facilities deemed necessary by Lessee to discover, produce, store, treat and/or transport production from the leased premises and from any other lands; and (b) to transport by pipelines or otherwise across and through the leased premises oil, gas, and coalbed methane gas and their constituents produced from the leased premises and produced from any other lands, regardless of the source of such production or the location of the wells, which right to transport oil and gas production from any other properties across the leased premises shall survive the term of this Lease for so long as the transportation of such production may be desired by the Lessee; and (c) the right to enter into and upon the leased premises at all times for the aforesaid purposes. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises, except water from Lessor's wells or ponds. In exploring, developing, producing or marketing from the leased premises or lands pooled therewith, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this Lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises or lands pooled therewith. When requested by Lessor in writing, Lessee shall bury its pipelines below ordinary plow depth on cultivated lands. No well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder, without Lessor's consent, and Lessee shall pay for damage caused by its operations to buildings and other improvements now on the leased premises or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at anytime to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this Lease or within a reasonable time thereafter.

11. Force Majeure. Lessee's obligations under this Lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells, and the price of oil, gas and other substances covered hereby. When drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control, this Lease shall not terminate because of such prevention or delay, and at Lessee's option, the period of such

prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this Lease when drilling, production or other operations are so prevented, delayed or interrupted. In the event a governmental agency withholds or fails to issue, any or all permits and/or approvals necessary for Lessee to timely commence drilling operations upon all or any part of the lands covered by this Lease, or lands pooled therewith, the primary term and/or drilling commitment contained in this Lease, as the case may be, shall be extended until sixty (60) days from the date such permits and/or approvals are issued by said governmental agency.

12. **Right of First Refusal.** In the event that Lessor, during the primary term of this Lease, receives a bona fide offer which Lessor is willing to accept from any party offering to purchase or lease from Lessor all or any portion of the leased premises or oil and gas formations or substances covered by this Lease, with the lease becoming effective upon expiration of this Lease, Lessor hereby agrees to notify Lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen days after receipt of the notice, shall have the prior and preferred right and option to purchase or lease, as the case may be, the leased premises or part thereof or interest therein, covered by the offer at the price and according to the terms and conditions specified in the offer to lease or purchase.

13. **Limitation on Forfeiture and Termination.** No arbitration demand or litigation shall be initiated by Lessor with respect to any breach or default by Lessee hereunder, for a period of at least 90 days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy the breach or default, within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this Lease shall not be forfeited, terminated or cancelled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. If Lessee timely responds to Lessor's demand, but in good faith disagrees with Lessor's position and sets forth the reasons therefore, such a response shall be deemed to satisfy this provision, this Lease shall continue in full force and effect and no further damages (or other claims for relief) will accrue in Lessor's favor during the pendency of the dispute, other than claims for payments that may be due under the terms of this Lease.

14. **Title.** Lessor hereby warrants and agrees to defend title conveyed to Lessee hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes, mortgages or liens existing, levied or assessed on or against the leased premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until Lessee has been furnished satisfactory evidence that such claim has been resolved.

15. **Shut In Due to Lack of Pipeline.** Notwithstanding anything hereof to the contrary, if, at the end of the primary term or at any time or times thereafter, there is any well on the leased premises or on lands with which the leased premises or any portion thereof has been pooled, and such well has been drilled into the Marcellus Shale Formation that is not capable of being fracture stimulated or completed due to a lack of a pipeline connection, then the shut-in royalty provisions of Paragraph 4 of this Lease shall apply whether or not such well is capable of producing oil or gas and whether or not such well is capable of producing oil and gas in commercial quantities.

16. **Lessor's Mortgage.** By the execution of this Lease, the Lessor does hereby appoint and designate Lessee, its successors and assigns, its attorneys-in-fact, solely for the purposes of allowing the Lessee to contact the Lessor's lender or mortgagor (if any) on behalf of the Lessor to obtain a Lease Subordination Agreement of Lessor's mortgage on the leased premises to Lessee's Oil and Gas Leases or some other similar agreement. Lessee will mail a copy of the executed and recorded Lien Subordination Agreement or similar agreement when finalized. When the Lessee has finalized its Lien Subordination Agreement or similar agreement with the Lessor's lender or mortgagor, this limited power-of-attorney herein granted to the Lessee shall in all respects terminate and be revoked.

17. **Arbitration.** In the event of a disagreement between Lessor and Lessee concerning this Lease, performance thereunder, or damages caused by Lessee's operations, the resolution of all such disputes shall be determined by arbitration in accordance with the rules of the American Arbitration Association. All fees and costs associated with the arbitration shall be borne equally by Lessor and Lessee.

18. **Severance.** If any provision of this Lease is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Lease will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

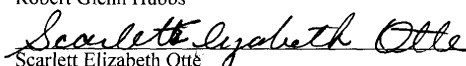
19. **Entire Agreement.** The entire agreement between Lessor and Lessee is embodied herein. No oral warranties, representations, or promises have been made or relied upon by either party as an inducement to or modification of this Lease.

20. **Disclaimer of Representations.** Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered in to this Lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this Lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party of this Lease will seek to alter the terms of this transaction based upon any differing terms which Lessee has or may negotiate with any other lessors/oil and gas owners.

IN WITNESS WHEREOF, this Lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's heirs, devisees, executors, administrators, successors and assigns, whether or not this Lease has been executed by all parties hereinabove named as Lessor.

LESSOR (WHETHER ONE OR MORE)


Robert Glenn Hubbs


Scarlett Elizabeth Otte

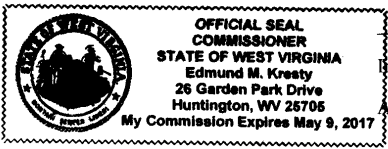
STATE OF West Virginia
COUNTY OF Marshall

ACKNOWLEDGEMENT

On this the 8th day of September, 2008 before me, Ed Kresty, the undersigned officer, personally appeared Robert Glenn Hubbs, single, and Scarlett Elizabeth Otte, single, known to me (or satisfactorily proven) to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged that they executed the same for the purposes therein contained.

In witness thereof, I hereunto set my hand and official seals.

My Commission Expires on: MAY 9 2017



Ed Kresty, Notary Public
In and for CABELL County, State of WEST VIRGINIA
Acting in MARSHALL County, State of WEST VIRGINIA

STATE OF West Virginia
COUNTY OF _____

CORPORATE ACKNOWLEDGMENT

On this the ____ day of _____, 2008 before me, _____, the undersigned officer, personally appeared _____, who acknowledged himself to be the _____ of _____, a corporation, and that he as such _____, being authorized to do so, executed foregoing instrument for the purpose therein contained by signing the name of the corporation by himself/herself as _____.

In witness thereof, I hereunto set my hand and official seals.

My Commission Expires on: _____

_____, Notary Public
In and for _____ County, State of _____
Acting in _____ County, State of _____

Prepared by: *, Western Land Services, Inc., 1100 Conrad Industrial Drive, Ludington, MI 49431
Return Recorded Copy To: Processing Dept, Western Land Services, Inc., 1100 Conrad Industrial Drive, Ludington, MI 49431
* Edmund M Kresty

Exhibit "A"

This Exhibit "A" is attached to and made a part thereof that certain Oil and Gas Lease dated September 8, 2008, by and between Robert Glenn Hubbs, single, and Scarlett Elizabeth Otte, single, as Lessor and Chief Exploration and Development LLC 5956 Sherry Lane, Suite 1500 Dallas Tx 75225, as Lessee. Notwithstanding anything to the contrary contained in the Oil and Gas Lease to which this Exhibit is attached and made part of, the provisions of this Exhibit shall prevail whenever in conflict with the provisions of the Oil and Gas Lease.

1) FENCING OF WELLS & EQUIPMENT

Upon request of Lessor, Lessee agrees to fence off its well locations on the herein-described lands. Said fence shall be constructed in a manner that does not hinder Lessee's operations and shall be constructed of equal or better quality than existing fences currently on Lessors lands.

2) GAS STORAGE

Lessee agrees that any underground gas storage facilities to be constructed on the herein leased lands will be negotiated and mutually agreed upon and require the express written consent of Lessor, said consent shall not be unreasonably withheld. Lessor agrees that Lessee's rights to conduct any secondary or tertiary operations- including the injection of water, CO2 or other substances- for the purpose of enhancing production, will not be subject to negotiation, mutual agreement, or written consent of Lessor.

3) FRESH WATER PROVISION

Lessee agrees that the use of Lessor's water for operations shall require the express written consent of Lessor. Lessee agrees to take the adequate measures to protect Fresh Water Sources, including springs and ponds, rivers and streams located on herein leased lands from adverse impacts from Lessee's operations. Lessee will test Lessor's domestic water well (as to quality and quantity) prior to commencement of and following drilling operations on said land in order to insure that said water is not adversely affected by Lessee's drilling operations. If said Fresh Water Source is rendered unusable as a direct result of Lessee's operations, Lessee agrees to replace said Fresh Water Source with an alternative water source, or compensate Lessor for the loss of the water source

4) NO QUARRY LANGUAGE

This lease shall not be interpreted to grant Lessee the right to develop, mine, quarry, produce or sell sand, gravel, limestone, sandstone, building stone, aggregate, coal or other hard rock products from the herein described lands.

5) COAL BED METHANE EXCLUSION

Notwithstanding any other provisions in this Lease, coal bed methane gas including but not limited to mined out or gob areas of such coal formations or seams (hereinafter collectively called "coal seam gas," "coal bed methane gas" "coal bed gas", "gob gas", "coal mine methane," "methane," "methane gas", "occluded gas," and other naturally occurring gases contained in or associated with any coal seam and gas originating or produced from any coal formations, seams or other strata or formations) and their constituents, whether hydrocarbon or non-hydrocarbon is hereby excluded from this oil and gas lease and Lessee shall have no rights to drill for, develop or remove coal bed methane gas in and underlying the lease-hold premises.

6) DEFERRED COMPENSATION

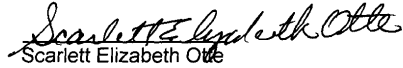
Lessor has requested this lease bonus be paid over a two year period with the first payment to be made when title is completed and the second and final payment to be made the first quarter of the following year.

7) SETTLEMENT OF DISPUTES

Pursuant to Paragraph Seventeen (17) of the Lease, Lessee and Lessor agree that, in the event of a disagreement between Lessee and Lessor concerning this lease, performance hereunder, or damages caused by Lessee's operations, all claims, and any settlement shall be determined by a court of competent jurisdiction in Marshall County, West Virginia, unless parties otherwise agree in writing.



Robert Glenn Hubbs



Scarlett Elizabeth Otte

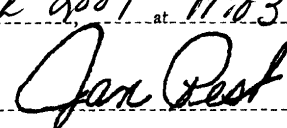
Date: 9-8-08



WITNESS- Edul H Land agent

STATE OF WEST VIRGINIA, MARSHALL COUNTY, SCT.:

I, JIAN PEST, Clerk of the County Commission of said County, do hereby certify that the annexed writing, bearing date on the 8th day of September 2008, was presented for and by me, admitted to record in my office upon the above certificate as to the parties therein named this 9th day of March 2009 at 11:03 o'clock A.M.

TESTE:  Clerk.